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Robert H. Jackson
Executive Director-
Federal Regulatory

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Ex Parte

April 25, 1996

William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, N.W. Room 222
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

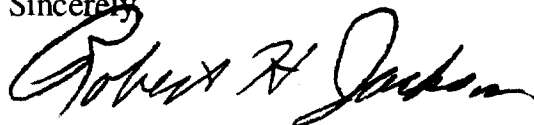
Re: CC Docket Nos. 92-237 and 96-98

Dear Mr. Caton:

Today Cyndie Eby and the undersigned representing U S WEST Communications and U S WEST Media Group met with Geraldine Matise, Mary De Luca, Brad Wimmer, Robert Tanner, David Ward and Liz Nightingale of the Common Carrier Bureau to discuss Carrier Identification Codes in relationship to the above-referenced proceedings. The attached materials were left with the Commission Staff. Please include a copy of this letter in the record in these proceedings.

Acknowledgment and date of receipt of this letter are requested. A duplicate letter is attached for this purpose.

Sincerely,



Attachments

cc: Geraldine Matise
Mary De Luca
Brad Wimmer
Robert Tanner
David Ward
Liz Nightingale

Q+L

**CARRIER IDENTIFICATION CODES (CICs) and
DIALING PARITY**

U S WEST, Inc. on Behalf of

U S WEST Communications
&
U S WEST Media Group

CC Docket No. 92-237
&
Commission March 1995 Direction to NANPA

April 25, 1996

INCUMBENT INTEREXCHANGE CARRIERS HAVE AN UNFAIR CIC DIALING ADVANTAGE

There is no dialing parity today for CICs. CICs are used in two formats (three digit and four-digit).

- Customers who want to reach service providers who obtained CICs prior to April 1995 only need to dial five digits (10XXX). However, if they want to reach service providers who obtained their CICs after April 1995, they must dial seven digits (101XXXX).
- New market entrants are disadvantaged against the incumbent IXC, most of which have multiple three-digit CICs.
- This disparity is a result of a permissive dialing period that was prescribed in CC Docket No. 92-237 and implemented on April 1995 when the CIC numbering resource was expanded from a three-digit format to a four-digit format.

Congress declared that dialing parity for end users is a fundamental element of a competitive market. Section 251(b)(3) of the Telecommunications Act of 1996 provides that all local exchange providers must provide dialing parity. This includes dialing parity for CICs.

The Commission should end immediately this dialing disparity and conflict with section 251 of Act. The Commission should release an order that:

- Finds that users of three-digit CICs have an unfair competitive advantage over users of four-digit CICs.
- Announce a six-month phase-out of the permissive dialing period for CICs beginning July 1, 1996.
- Directs all users of three-digit CICs to convert to four-digit CICs by January 1, 1997.
- Provide a negative financial incentive to those entities that continue using three-digit CICs after January 1, 1997.

In addition to dialing advantages, incumbent interexchange carriers have disparate access to CIC numbering resources. The current CIC moratorium locks out new service providers from the market.

- Industry guidelines provide that entities may have up to six FGD CICs. However, many of the incumbent interexchange carriers use many more than several CICs for their service offerings. In fact, one has more than 20 and another has more than 40. Yet, due to the CIC assignment moratorium established by the FCC in March 1995, new entrants are limited to only one CIC and existing service providers that usually have only one or two CICs are prohibited from acquiring any additional codes until the moratorium is lifted.
- The current CIC assignment guidelines allow each entity, that qualifies for assignment of CICs, to be assigned up to six FGD CICs. These CICs are needed for new service offerings to provide customer access, call routing and billing. The FCC moratorium is creating an artificial barrier to competition by denying service providers access to the CIC numbering resource
- In order to have parity and competitive service offering amongst all service providers using CICs, the assignment moratorium must be lifted immediately and the permissive dialing period must be eliminated within 6 months.